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CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

FEBRUARY 27, 1989

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THE TEXAS SHOW

PPV IN SMALL MARKETS

TELCO THREAT IS DEAD

UAE DEAL BACK ON TRACK

LONG WINTER ENDS IN C-BAND DIRECT

GI ROUTS PIRATES AS PACKAGERS BLOOM

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT FEBRUARY 27, 1989

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Improved security and packaging means this dish likely is legal

Photo by Ken Paul

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Strike one, strike two

Will ESPN hurt station revenues?

ESPN's baseball package has set off some Bronx cheers among station executives with TV contracts with local teams. They are worried the national cable deal will siphon viewers and local advertising dollars.

"The problem is the scope of the ESPN deal far exceeds anything we anticipated," says Brooke Spectorsky, station manager of KTVU-TV Oakland, who has just signed a six-year contract for local rights to the San Francisco Giants.

Stations have two problems with the ESPN deal, says Spectorsky. One is that the 175 games that ESPN will air per year will glut local markets. "There is going to be a tremendous amount of baseball inventory in the marketplace at reduced rates (on cable systems)," says Spectorsky. "It seems to me that a lot of advertisers would be attracted to that."

The second is ESPN's exclusive Wednesday and Sunday dates. Spectorsky says removing Wednesday nights from stations' lineups will mean a loss of revenues for those three-day series that baseball clubs usually begin on Monday. Although ESPN's contract doesn't begin until next year, Spectorsky warns that some popular games, such as when the Giants play the Dodgers, could be lost to the cable network. This year, for instance, two of the Giants' five Wednesday games are with the Dodgers.

Other markets feel a bit more secure, such as St. Louis, where Greg Filandrinos, director of sales for independent KPLR-TV, doesn't think major advertisers spending up to $800,000 for a season's sponsorship are going to suddenly leap to cable at $100 a spot. He can sell the spots at lower CPMs than local cable systems—Filandrinos says he already does this against the Cardinals pay-per-view network.

But, similarly, there are some key Cardinal matchups that are big ratings performers, and if they move to ESPN they would be missed. "If we had a three-game series, and now ESPN sudddenly had one of those nights, then yes, it would hurt my revenues," says Filandrinos.

Major League Baseball says the stations' concerns are unfounded. Brian Burns, MLB vice president of broadcasting, says the owners still will determine the number of games for their local broadcast and cable outlets. In addition, Bryne says, MLB will only request 10 local games for exclusive national use, although the current contract allows for 20 pre-emptions.

—Wayne Friedman

Top Basic Cable Sports Programs
February 6-February 12

	Date	Net	Program	Rating	Homes
1.	Feb. 11	WTBS	NBA All Star Saturday	4.7	2,259,000
2.	Feb. 9	ESPN	B'ball: No. Carolina-No. Carolina St.	2.9	1,453,000
3.	Feb. 9	ESPN	B'ball: Missouri-Oklahoma	2.5	1,253,000
4.	Feb. 8	ESPN	B'ball; Virginia-Duke	2.5	1,253,000
5.	Feb. 11	WTBS	NBA All Star Highlights	2.5	1,198,000
6.	Feb. 7	WTBS	NBA: Cleveland-Milwaukee	2.3	1,081,000
7.	Feb. 6	ESPN	B'ball: Syracuse-Seton Hall	2.2	1,102,000
8.	Feb. 6	ESPN	B'ball: Purdue-Ohio State	2.2	1,101,000
9.	Feb. 12	ESPN	Seniors PGA Golf Championship	2.0	1,002,000
10.	Feb. 7	ESPN	Top Rank Boxing: Longstreet-Tyson	1.8	901,000
11.	Feb. 8	ESPN	B'ball: Georgetown-Connecticut	1.8	901,000

C-band direct's long winter is at an end

By Wayne Friedman

Enhanced security, better packaging are harbingers a flowering business

It is understandable that small smiles are beginning to brighten the faces of TVRO cable programmers and packagers. After a three-year bout with signal piracy, General Instrument's Videocipher II seems to be evolving into a stronger and more resilient machine, and backyard dish owners—presented with a host of attractive options—are buying more programming.

But even as the technical underbrush is being cleared from the C-band direct market, other problems are beginning to crop up that relate to the sometimes confusing array of programming packages and retail prices.

General Instrument's authorization center (above), employing enhanced antipiracy features, is 'state of the art, as far as you can take any security system,' says Larry Dunham, president of GI's Videocipher division

It is to be expected that the nascent TVRO industry would need some breathing space in which to evolve into a profitable and predictable business, especially in light of its tumultuous birth when scrambling began amid public outcrys by dish owners accustomed to a free ride and the infamous Captain Midnight episode.

Now, GI and program executives see the cloud over their industry clearing, mainly because of recent enhanced security measures. Last September GI beefed up its VCII machine with the Dash 7, a new version of coding security microchips. Next, GI will be fixing scrambling systems with "chip-on-board" technology, which physically protects the security of the chips with 23 layers of circuitry, a move that will discourage pirates from soldering their own illegal chips to each security board.

Finally, in August or September of this year GI will come out with Videocipher II Plus, which will take all the security functions and put them on one microchip. "We think it's the state of the art, as far as you can take any security system," says Larry Dunham, president of the Videocipher division of General Instrument.

These improvements have emerged just as complaints about GI's system, and its response to the piracy problem, have increased. "In the first six to nine months of this antipiracy effort, we were somewhat naive on the magnitude on the problem... not because of a conscious decision not to commit resources to do something," says Dunham. "We and the programmers were naive (about the extent of the problem)."

Make no mistake, the problem still exists. To date, more than a million Videocipher IIs have been sold, but only 475,000 have been

Netlink President Brian McCauley

authorized by GI to receive programming—this out of a total universe of 2.3 million TVRO dishes. But Dunham is confident the tide is turning on piracy. The gap between the number of videociphers shipped versus those that have been authorized by GI is closing. Whereas perhaps 20,000 units might have been shipped and only 10,000 authorized during a given month—a 50 percent gap in authorizations—those numbers are being trimmed to a 15 percent gap. January showed an even greater improvement, when 22,000 units were shipped and 26,000 authorized, indicating a net decline in unauthorized descramblers.

Industry experts say this is a most encouraging development. "(Controlling) piracy is in a better position today than a few months ago," says Brian McCauley, president of Netlink, a program packager that acts as a marketing agent for several MSOs. McCauley says January "was our best month ever." Jack Riley, vice president and general manager of Superstar Connection, a TVRO service of United Video, agrees that the month was a turning point. "We got a handle on it."

There's no doubt piracy is the major ongoing concern of the C-band direct business. And as technical problems are being resolved, program packagers are beginning to position themselves for the future. The business might well be splitting into a two-tier or even three-tier market. For those on the first-tier—cable programmers—the business can represent a gravy train of profits, albeit on a small scale. But not so for those on the second-tier level, the cable operators, or those in the third position, the non-MSO, non-cable network program suppliers.

Is this becoming a pure-profit business for everybody? "It is for Showtime and HBO, but not for cable operators," grumps one TVRO programming marketer. There also exists a profit disparity between cable operators and pure TVRO packagers. One TVRO program packager complains that the wholesale price "is much higher" than that for cable operators. Another executive says that where CNN, for example, might be sold to cable operators for 15-20 cents a sub, the price rises to as much as $1.00 a TVRO sub to some program packagers.

"For a company that makes no investment in the dish market and lets a third party distribute their service," says Superstar's Riley, "it would seem like the rates should be comparable (to cable operators), but they are not." Superstar Connection's package includes superstations WGN, WPIX, KTVT, KTLA, WWOR and WSBK as well as CBN, Lifetime, The Travel Channel and USA Network. Riley also sells a premium movie package, Starion Premiere Cinema.

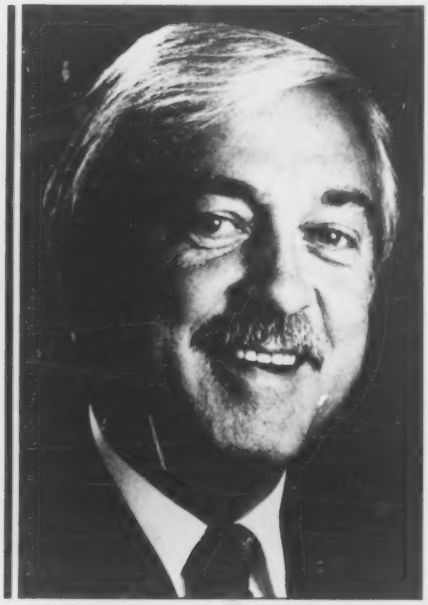
Tola Murphy-Baran, vice president of market development for Viacom Satellite Networks, which markets Showtime and The Movie Channel as well as 12 basic channels to the backyard market, says C-band direct is not an especially lucrative business for programmers like HBO and Showtime because of costs incurred for marketing, authorization and direct billing. In addition, the movie contract license fees that Showtime pay include TVRO home estimates. "It's a nice incremental business. It's not anything that we are going to retire on," she says.

Direct retailing is the path being pursued by HBO and Viacom, the two leading packagers which reportedly have sold some 300,000 individual programming subscriptions. While both also sell through third parties—either through other packagers or through satellite dish equipment dealers—taking the retail route means more control and more direct revenues.

To enhance this strategy, HBO—and Showtime to a lesser degree—doesn't grant the same discounts to dish dealers as they employ for cable operators. For example, HBO gives dealers a rebate when a new dish owner buys a yearly HBO program package, but the company doesn't extend that rebate for the second year and beyond. "We don't believe that (the dealers) contribute to the renewal process," says Bob Caird, vice president of direct broadcast for HBO. "We see the renewal process decision being made based on the consumer viewing based on what we have on the channel."

Similarly, Showtime's goal is to be a retailer of programs to the earth station market. To accomplish this, it has placed some restrictions on its product. For instance, while it allows a cable operator to sell Showtime to

dish owners in the franchise area and in the county around the franchise, it doesn't allow an operator to sell the service in adjacent counties. "We feel this company needs the revenues and margins that can be derived from a retail business in those outlying areas, for our own economic health. The economic health is in the best interest of the



Jack Riley, vice president and general manager of Superstar Connection

cable television industry," says Murphy-Baran. Showtime also doesn't allow anyone but itself to sell the Viacom basic networks—MTV, VH-1, Nickelodeon and Nick at Nite—in TVRO packages.

Although HBO and Showtime are the heavyweights in TVRO program packaging (see chart, page 36), new packagers constantly are entering the business. Currently, the list runs to around 50 companies and growing, including some firms that began selling programming before scrambling was an issue. With the array of networks that are packaged as well as the variety of prices, many industry observers say it can be confusing to the consumer as to what to choose. But at the same time, it is obvious that the TVRO consumer has a wealth of options. According to one trade organization official, there are "10,000 different combinations of ordering programming."

Some of the confusion stems from the reluctance of some programmers to become involved in the TVRO business, especially with non-MSO, non-cable network packagers. In addition, there are programmers who already are in the business, such as HBO and Showtime, that decline to grant reciprocal programming agreements to every third party that comes along. Superstar Connection's Riley says "The industry has failed to cooperate in granting reciprocal rights... (because) everyone wants exclusivity."

Recently, HBO and TBS reached a reciprocal agreement to exchange their owned and operated services for each of their respective packages. HBO's Caird says these deals depend on the value of the product that's being exchanged. "(TBS) brings to the table very valuable services, CNN and Headline News, which are the centerpieces of our basic package."

Cable networks understandably are cautious about dealing with some third parties because they sense that some either aren't responsible or are inexperienced. Established equipment dealers generally find it easy to deal with programmers because it is understood that they need to sell programming in order to sell TVRO equipment. Tougher sledding is encountered by those who aren't selling equipment. "If you don't keep it restricted to (a equipment-programming) kind of sale," says Sel Kremer, executive vice president of Tempo Development, a TVRO packager, "then all you are trying to do is to sell them programming." That's why programmers don't give open distribution, says Kremer. "Our point is you need to be somebody of substance. You have to own something like programming rights, or be an (established) equipment distributor."

Piracy, although abating, continues to nag at cable networks and program suppliers as well. Mark Harrad, communications director for the Motion Picture Association of America, estimates that about $20 million a year is lost through TVRO piracy and illicit distribution arrangements. Although this is a tiny amount compared with the losses resulting from traditional theft of cable television service and home video—$300 million and $100 million, respectively—"it would be a mistake to say that piracy is not a priority for us," he says.

Things became so out of hand last year that Warner Brothers moved to ban Viewer's Choice from offering its pay-per-view movies to the TVRO

THE TVRO UNIVERSE

	LEGAL TVRO SUBSCRIBERS	TOTAL TVRO SUBSCRIBERS*
1986	100,000	1,072,000
1987	290,000	1,980,000
1988	600,000	2,300,000
1989 Projection	900,000	2,800,000

*Includes unauthorized/illegal dishes
Source: Paul Kagan Associates

What's On The Pays/March

Cinemax

New Movies

TITLE	MPAA RATING	DISTRIBUTOR
The Black Windmill	PG	Universal
The Curse	R	Trans World
Dark Eyes	NR	Island
Displaced Person	NR	Blum Group
Ghoulies II	PG-13	Vestron
Going Bananas	PG	Cannon
He's My Girl	PG-13	Scotti Bros.
Hoxsey: Quacks Who Cure Cancer	NR	Realidad
Little Nikita	PG	Columbia
Repulsion	NR	Columbia
School Daze	R	Columbia
World Gone Wild	R	Apollo

Original Programming/Specials

Cinemax Session: Legends Of Rock'N'Roll
Max Movie Show #9

Highlights

Broadcast News	R	20th Century-Fox
Frantic	R	Warner Bros.
Moonstruck	PG	MGM/UA

Moonstruck

End Of The World Man	NR	Miramax
Hambone & Hillie	PG	New World
Hill's End	NR	Revcom
Let The Balloon Go	G	Interplanetary
Mystery On Monster Island	NR	20th Century-Fox
One Of Our Dinosaurs Is Missing	G	Disney
Return Of The Antelope	NR	Granada
Return To Snowy River	PG	Disney
Taffy & The Jungle Hunter	NR	Lorimar
Ten Who Dared	NR	Disney
The Undercover Gang	NR	Miramax
Weekend With A Bear	NR	Universal

Original Programming/Specials

Celebrity Knockout From Walt Disney World
The Cropp Family's Nature Album: Secrets Of The Billabong
Unforgettable Nat King Cole

Highlights

American Originals: Thomas Edison
Calgary '88: 16 Days Of Glory (Part I)
Chip & Dale's Rescue Rangers
Going Home: Judy Collins

Chip & Dales Rescue Rangers

The Disney Channel

New Movies

TITLE	MPAA RATING	DISTRIBUTOR
A Night In Casablanca	NR	Castle Hill
Casanova's Big Night	NR	Paramount
Dennis The Menace	G	DIC

HBO

New Movies

TITLE	MPAA RATING	DISTRIBUTOR
A Night In The Life Of Jimmy Reardon	R	20th Century-Fox
Body Slam	PG	Hemdale
Commando Squad	R	Trans World
Deep Space	R	Trans World
18 Again	PG	New World
Gaby: A True Story	R	Tri-Star
House Of Games	R	Orion
The House On Carroll Street	PG	Orion
The In Crowd	PG	Orion
The Killing Time	R	New World

Lady Beware	R	Scotti Bros.
The Milagro Beanfield War	R	Universal
Satisfaction	PG-13	20th Century-Fox
The Trouble With Spys	PG	HBO
Turnaround	R	Cinema Group

Original Programming/Specials

The Appointment Of Dennis Jennings
Encyclopedia Brown, Boy Detective
The Kid Who Wouldn't Quit (Family Playhouse)
Life Of Crime (America Undercover)
World Championship Boxing: Michael Nunn vs. Sumbu Kalambay

Highlights

Broadcast News	R	20th Century-Fox
Comic Relief III		
Dead Man Out (HBO Showcase)		
Moonstruck	PG	MGM/UA

Comic Relief III

The Movie Channel

New Movies

TITLE	MPAA RATING	DISTRIBUTOR
Allan Quartermain & The Lost City Of Gold	PG-13	Cannon
A Night In The Life Of Jimmy Reardon	R	20th Century-Fox
A Tiger's Tale	R	Atlantic
Compromising Positions	R	Paramount
The In Crowd	PG	Orion
The Men's Club	R	Atlantic
Richard Pryor Live In Concert	R	Biller
Satisfaction	PG-13	20th Century-Fox
Sid & Nancy	R	Sam Goldwyn
They Still Call Me Bruce	PG	Hal Roach

Highlights

Broadcast News	R	20th Century-Fox
Good Morning Vietnam	R	Touchstone
The House On Carroll Street	PG	Orion
The Milagro Beanfield War	R	Universal

Broadcast News

Showtime

New Movies

TITLE	MPAA RATING	DISTRIBUTOR
Allan Quartermain & The Lost City Of Gold	PG-13	Cannon
A Night In The Life Of Jimmy Reardon	R	20th Century-Fox
Clue	PG	Paramount
Dudes	R	Carolco
In Search Of Historic Jesus	G	Viacom
Lady On The Bus	R	Fox/Lovber
Malone	R	Orion
The Milagro Beanfield War	R	Universal
Modern Girls	PG-13	Atlantic
Pass The Ammo	NR	Carolco
Shy People	R	Cannon
World Gone Wild	R	Apollo

Original Programming/Specials

The Adventures Of Commander Crumbcake
Henry's Cat
Jimmie Walker & Friends II

Highlights

Broadcast News	R	20th Century-Fox
Good Morning Vietnam	R	Touchstone

Motown On Showtime: Marvin Gaye
Showtime Championship Boxing: Evander Holyfield vs. Michael Dokes

Good Morning Vietnam

TVRO PACKAGE RUNDOWN

SUPPLIER	PACKAGE	SERVICES INCLUDED	RATES
HBO	Flex-Pax	CNN/CBN/ESPN/Headline/USA/TWC/ Lifetime/PrimeTime 24/Skyline Silver WWOR/WSBK-Boston/KTLA-Los Angeles	$25 annually per service/ $12 annually for each additional service
		HBO/Cinemax	$12.95 monthly $116.55 annually
		HBO & Cinemax together	$19.95 monthly $179.55 annually
National Rural Telecommunications Cooperative	Basic	CBN/CNN/ESPN/Headline/USA Lifetime/ Nickelodeon*/Nostalgia/TLC/TWC/Country Music TV/Travel Channel/WGN/ WWOR/WPIX/KTVT-Dallas	Varies by region
	Basic Plus	Basic Plus Netlink's Super Six package	Varies by region
	Premium Channels	PrimeTime 24/Skyline Silver Superstation TBS/HSE Netlink Super Six	Varies by region
	Premium Movie Channels	HBO/Cinemax/Disney/Starion Premiere Cinema	Varies by region
Netlink USA	Super Six	KUSA/KCNC/KMGH/KRMA/KDVR/ KWGN (all Denver stations)	$79.80 annually
	One Stop Package	Super Six plus CNN/TBS ESPN/ Headline/Lifetime/TWC/ CBN/AMC/X*Press/USA	$10-$14 monthly (varies by region)
	Skyline Silver	WWOR/KTLA/WSBK	$36 annually
	American Movie Classics	AMC	$29 annually
	Premiums	HBO/Cinemax/Showtime*/Disney/TMC*	Varies by region
PrimeTime 24	PrimeTime 24	WABC-New York/WBBM-Chicago WXIA-Atlanta	$49.95 annually/$90 two-yr sub $130 three-year sub
Superstar Connection	Superstar Connection	WGN/KTVT/WPIX	$36 annually
	Skyline Silver	WWOR/WSBK/KTLA	$36 annually
	A La Carte Plan	WGN/WPIX/KVTV/KTLA/	$44 annually
	Starion	Starion Premiere Cinema	$85 annually
	A La Carte Plan	CBN/Lifetime/TWC	$12 annually each ($14.99 for CBN/ $8.99 for each used in package)
Tempo Development	A La Carte Plan	TBS/USA/Lifetime/WWOR/TWC/CBN	$19 annually per service; $10 annually for each additional service (USA cannot be purchased a la carte)
	Stardust Theater	Stardust Theater	$65 annually
	Skyline Silver	WWOR/WSBK/KTLA	$39 annually a la carte $30 with another service or package
	Starpak	Stardust & Skyline Silver plus TBS/USA/CBN/TWC/Lifetime	$144 annually
TBS Cable Network Sales	A La Carte Plan	CBN	$15 annually
		TNT/TWC	$20 annually
		CNN/Headline	$25 annually
		HBO/Cinemax	$99.95 annually
		CNN/Headline/CBN/TWC	$40 annually
		CNN/Headline/CBN/TWC/TNT[1]	$60 annually
		HBO/Cinemax and $40 package	$120 annually
		HBO/Cinemax and $60 package	$130 annually
		HBO & Cinemax	$170 annually
		HBO & Cinemax plus $40 package	$200 annually
		HBO & Cinemax plus $60 package	$210 annually
Viacom Satellite Networks	Extraview	Nickelodeon/ESPN/Lifetime/Discovery/FNN TNNN/VH-1/USA/MTV/CBN/TLC/TWC	$10.95 monthly $120 annually
	Extraview Plus	Extraview plus Showtime/TMC	$17.95 monthly/$192 annually
		Extraview plus Showtime & TMC	$22.95 monthly/$240 annually
	The Playboy Channel	The Playboy Channel	$10.95 monthly/$120 annually (discounts with Showtime or TMC)

*Not available in all areas
[1]-Some restrictions may apply to TNT, lowering the package price in some areas to $50
Source: Satellite Broadcasting & Communications Association

marketplace. But encouraged by renewed antipiracy efforts, Warner Brothers recently reentered the TVRO market by offering the Ray "Boom Boom" Mancini-Hector "Macho" Camacho March 6 fight.

There are other reasons for cable programmers to be optimistic about the C-band direct business. A new civil copyright law, which took effect in January, increases the penalty from $50,000 to $500,000 for each act of piracy. GI also also firmed its security system allowing it to turn off bogus TVRO dishes by satellite. These measures, coupled with GI's enhanced security electronics, gives Dunham the feeling that he has the pirates on the run. Even though experts say every scrambling system can be beaten, GI believes its internal changes in the Videocipher II will push the price of tampered boxes to the point where it simply will be cheaper and easier for dish owners to become legal subscribers.

While no one in the C-band direct business believes all the problems are solved, the trend seems clear. Many expect to see substantial inprovements by the end of this year or certainly by the beginning of 1990. "As piracy wanes, programmers are going to be far more aggressive in terms of marketing dollars," says HBO's Caird. "We are hoping by the fourth quarter (conditions will improve). I think '90 is a key year."

Right now conditions are slowly improving, but if things don't change program suppliers could be forced to take a severe change in strategy. Netlink's McCauley says, "There is still a very significant number of people that are chipping boxes. By the end of this year, one of two things will happen: (theft) will be down or it will have totally failed and we all will be considering drastic alternative choices." ■

Quarterly Earnings Report

Dollar amount in thousands

Company (Quarter/Fiscal Year)	Revenues	%change	Operating Profit	%Change	Net Income	%Change
Adams-Russell Electronics (1st/89)	$ 33,752	95.2	N.A.	N.A.	$ 529	- 53.5
ATC (4th/88)	212,090	13.5	56,001	28.2	22,502	72
C-Cor Electronics (2nd/89)	12,816	64.1	1,354	41.4	1,354	31.1
Centel Cable (4th/88)	40,599	8.5	6,234	60.2	2,250	63.4
Centel Corp. (4th/88)	284,320	N.A.	48,758	N.A.	34,480	N.A.
Century Comm. (2nd/89)	47,357	19.9	6,231	-21.9	- 6,648	162.3
General Instrument (3rd/88)	359,312	82.9	35,983	87.5	21,883	90.8
Jones Intercable (2nd/89)	15,822	133	7,846	96	- 5,586	-1,301
Jones Spacelink (2nd/89)	20,835	124	11,312	93	- 247	- 137
Knight-Ridder (4th/88)	574,650	9	80,675	-90	45,542	- 91
Media General (4th/88)	191,362	N.A.	N.A.	N.A.	-29,620	N.A.
Multimedia (4th/88)	117,370	6	43,263	14	13,093	38.5
Scientific-Atlanta (2nd/89)	128,501	4	14,353	13	9,186	16
TCA Cable (4th/88)	18,143	14.1	9,351	14.2	3,304	196.3
Time Inc. (4th/88)	1,207,000	6.1	181,000	N.A.	58,000	12
United Cable (2nd/89)	75,813	18	31,434	18	572	1,495

Paragon contract boosts Prime Ticket's circulation to above 3.3 million homes.

• **Cable Networks Inc./Rainbow Ad Sales Corp.** concluded a pair of five-year exclusive rep contracts last week. Century Communications' Los Angeles systems are involved in one agreement, reaching over 200,000 homes in Beverly Hills, Century City, Santa Monica, Marina del Rey and Pacific Palisades. The other involves Suburban Cablevision and its 205,000 Central New Jersey subscribers. Both contracts give CNI permission to sell local avails on CNN, ESPN, MTV, Lifetime, USA and regional services.

• **Staten Island Cable** is among The Travel Channel's newest affiliates. The system highlighted its newest offering by promoting a travel fair inside the Staten Island Mall Feb. 10-12. Shoppers there received the chance to watch a fashion show, meet Travel Channel personality Arthur Frommer and win raffles for vacation trips. Staten Island's 45,000 subscribers also witnessed the local launch of Turner Network TV earlier this month.

• **Reiss Media Productions** has retained national pay-per-view distribution rights to the Sugar Ray Leonard/Thomas Hearns championship fight June 12. In addition to bringing Request TV aboard for fight carriage, Reiss will serve as the liaison between local rights holders and cable systems in distributing the fight on a system-by-system basis. Reiss acquired the rights from promoter Top Rank Inc.

• **The Drop Shop** has made an agreement with Indiana Pressed Steel to distribute their line of cable pedestals and accessories. Part of the General Cable group of companies, Indiana Pressed Steel has been in the CATV pedestal supply business since 1984. Accessories include mounting brackets, stakes and labels. The Drop Shop will stock the line at its Union, N.J., and New Orleans warehouses.

• **Cablevision Systems** will add Mind Extension University and Galatic Radio to its service roster this month, under a new contract with Jones International. The MSO will offer MEU-transmitted courses for credit in its franchise areas and carry all of Galatic's formats. Cablevision also will buy interactive video training programs from Jones' business

This Notice Appears As A Matter Of Record Only January 1989

JAMES CABLE PARTNERS, L.P.
Has Acquired The Assets Of
DURANT CABLEVISION, INC.
Which Pass Approximately 7,[illegible] Homes
and Serve Approximately 5,200 Basic Subscribers
In Durant, Oklahoma and Environs

SOLD

The undersigned initiated this transaction representing James Cable Partners, L.P., and assisted in negotiations

COMMUNICATIONS MARKETING GROUP, INC.

8933 East Union Avenue
Suite 295
Englewood, Colorado 80111
(303) 850-0405

Allan B. Bowdach
President

CABLE STATS

Subscriber Count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	387	9,000,000
Alternate View Network	250	4,000,000
Arts & Entertainment (A&E)	2,800	37,000,000
Black Entertainment Television	1,800	21,197,000
Cable News Network	11,860	49,565,000
Cable Value Network	1,850	21,000,000
CBN Family Channel	8,303	43,769,000
C-SPAN	3,100	41,500,000
C[illegible]N II	575	16,500,000
Country Music Television	862	8,000,000
The Discovery Channel	4,643	37,627,000
Eco	300	1,000,000
ESPN	9,500	50,132,000
Eternal Word Television Network	490	10,800,000
Family Guide Network	60	4,500,000
FamilyNet	54	1,200,000
The Fashion Channel	650	10,100,000
Financial News Network	3,500	33,000,000
FNN/Score	1,600	19,800,000
FNN/TelShop	1,350	14,800,000
Headline News	3,410	34,911,000
Home Shopping Network	1,438	16,415,712
Home Shopping Network II	357	6,169,357
The Inspirational Network	920	10,000,000
International Television Network	56	7,868,900
The Learning Channel	990	15,100,000
Lifetime	3,800	41,728,000
Mind Extension University	84	2,200,000
Movietime	342	11,500,000
MTV	5,220	44,433,000
Movietime	342	11,500,000
The Nashville Network	7,741	43,211,000
Network 1 USOA	N.A.	N.A.
Nick At Nite	3,395	39,600,000
Nickelodeon	6,485	43,679,000
The Nostalgia Channel	305	4,000,000
Prevue Guide	332	8,858,517
QVC Network	1,032	13,700,000
RFD TV	30	2,128,190
Shop Television Network	119	5,100,000
Silent Network	404	12,300,000
SportsChanne; America*	N.A.	1,500,000
Superstation TBS	9,426	47,943,000
TNT	1,512	23,000,000
The Travel Channel	400	11,000,000
Trinity Broadcasting Network	725	9,100,000
Univision**	466	4,719,000
USA Network	10,100	46,433,000
VH-1	2,300	30,000,000
Vision Interfaith Satellite Network	215	6,200,000
The Weather Channel	3,600	37,101,000
WGN-TV	11,415	24,900,000
WWOR-TV	2,600	12,500,000
WPIX-TV	858	9,678,474
Bonus/basic services		
American Movie Classics	1,500	14,500,000
Bravo	350	1,500,000
Pay services		
American Exxxtasy	35	27,000
Cinemax	3,650	6,600,000
The Disney Channel	5,000	4,000,000
Home Box Office	7,400	17,000,000
The Movie Channel	3,250	2,700,000
The Playboy Channel	526	470,000
Showtime	6,000	6,600,000
Audio services		
Cable Radio Network	49	1,556,736
Galatic Radio	84	1,050,000
KKGO Super Jazz	18	133,639
Moody Bible Institute	63	1,058,368
Satellite Radio Network	237	483,000
Seeburg Lifestyle Music	142	2,578,838
Seeburg Lifestyle Adult Contemporary	26	854,390
Tempo Sound	125	1,250,000
WFMT Chicago	170	1,259,804
Text services		
AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP News Plus	75	2,100,000
Cable SportsTracker	41	875,000
EPG	280	6,800,000
EPG Jr.	330	300,000
Genesis Storytime	39	1,550,000
Reuters NewsView	127	2,437,000
Computer services		
DBC/MarketWatch	462	9,200,000
X*Press Executive	457	14,000
X*Press X*Change	457	14,000

Non satellite-fed national services

Basic services	Affiliates	Subscribers
Cable Video Entertainment	190	18,000,000
Fuji Network	3	12,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000
Pay services		
Nippon Golden Network	5	13,600

Interactive services

Basic services	Affiliates	Subscribers
Telaction	4	30,000
Video Jukebox Network	10	340,000

Regional services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	180,000
Bay Area Religious Channel	6	113,000
Cable TV Network of New Jersey	34	1,396,451
The Ecumenical Channel	9	170,000
KBL Entertainment Network	67	1,200,000
KTVT	417	3,600,000
Life Newsvision	35	50,000
Madison Square Garden Network	112	2,300,000
Meadows Racing Network	14	600,000
News 12 Long Island	4	594,000
Niagara Frontier Sports Network	13	800,000
Pennarama	28	750,000
Prime Cable	9	381,938
Prime Sports Network	N.A.	250,000
Prime Ticket	94	3,000,000
Sportsvision	50	1,507,270
Sunshine Network	200	2,310,000
Pay services		
Home Sports Entertainment	250	1,000,000
Home Team Sports	125	1,200,000
New England Sports Network	171	317,201
Prism	87	427,000
Pro-Am Sports	173	523,000
SportsChannel (Florida)	20	470,000
SportsChannel (New England)	154	1,028,431
SportsChannel (New York)	100	1,300,000
Z Channel	73	110,010

Note: Figures for affiliate/subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Cable Stats, 432 Park Avenue South, Suite 1010, New York, NY 10016.
N/A denotes information not available.
***Count represents standalone affiliates/subscribers; portions of SC America are carried on Home Team Sports and the SportsChannel family of regional services.**
****Spanish-speaking households.**

Announced services

Satellite-fed services	Expected launch
ATV: Advertising Television	TBA
Career Channel Network	10/89
CD#: The Digital Music Network	6/89
CNBC	4/89
The Computer Channel	5/89
Digital Cable Radio	4th Quarter 1989
Digital Radio Channel	4th Quarter 1989
The Gaming Network	3rd Quarter 1989
Interactive Game Network	3rd Quarter 1989
Kids Information Network	2nd Quarter 1989
The Landscape Channel	1st Quarter 1989
Laugh TV	3rd Quarter 1989
Maximum Entertainment Network	9/89
Micro Sports News Network	4/89
Music Image Channel	11/89
Spanish TV News Network	5/89
Talk Television	1st Quarter 1989

Non satellite-fed services	Expected launch
ACTV	3rd Quarter 1989
Consumer Classified Ad Network	3/89
Main Street	2nd Quarter 1989
On Demand/UTV TV Network	4th Quarter 1989